Integrated System News Bulletin

**REINSTATED LATE CODE 3
(DELAY REASON CODE 3)**

**Attention: Local Plan Short-Doyle Medi-Cal
Providers ONLY**

STOP – Impact on You

The State Department of Mental Health now allows Counties to use a good cause **'Late Code 3'** (aka Delay Reason Code 3) to submit Medi Medi claims with the specific procedure codes listed below that are delayed due to the Short Doyle/Medi-Cal (SD/MC) Phase II implementation.

- H2011 - Crisis Intervention
- H2013 - Psychiatric Health Facility
- H0018 - Crisis Residential Treatment Services
- H0019 - Adult Residential Treatment Services
- S9484 - Crisis Stabilization
- H2012 - Day Treatment Intensive / Day Rehabilitation
- H2019 - Therapeutic Behavioral Services
- 0101   - Administrative Day Services

This bulletin supersedes IS News Bulletin # 56, dated 5/26/2009.

CAUTION – What You Need to Know

Effective August 12, 2010, Late Code 3 has been reinstated in the Integrated System (IS). The Late Code drop down menu of the Claim screen now includes Late Code 3. The IS will validate claims with Late Code 3 with the following conditions:

- Claims with both payers Medicare and Medi-Cal
- Claims with only Medi-Cal payer for Medi Medi clients must have the client's Medicare ID recorded in the '**Client Reported Benefits**' of the Financial tab in the Client Information screen.

Direct Data Entry (DDE)

Medi-Cal claims submitted in the IS with Late Code 3, for clients that do not have Medicare benefits and/or whose Medicare ID is not found in the Financial tab, will receive the following error message:

Electronic Data Interchange (EDI)

Medi-Cal claims submitted via EDI with Late Code 3, for clients that do not have Medicare benefits and/or whose Medicare ID is not found in the Financial tab, will be denied with Rule 43 for 837 Professional and Rule 27 for 837 Institutional claims **(Validate LP Delay Reason Code)**. A negative 835 will be returned.

GO – What You Need to Do

To prevent receiving the error message and/or IS Rule, providers should verify clients' Medicare ID in the Client Reported Benefits of the Financial tab prior to submitting claims with Late Code 3. Providers should also keep clients' financial information updated to reflect the current eligible benefits.

The IS Codes Manual has been revised to provide the updated Late Code listing. To download, please click on the link provided below:
http://dmh.lacounty.gov/hipaa/documents/CODES_MANUAL-IS2_Version3.8.pdf

The EDI Deny Reason Cheat Sheet has been updated to reflect the rule validation for Late Code 3. To download, please click on the link provided below:
http://dmh.lacounty.gov/hipaa/documents/DenyRuleCheatSheet.pdf

If you have questions regarding Late Code 3 edits and rules, please contact the Help Desk at (213) 351-1335. If you have billing questions for Late Code 3, please contact the Revenue Management Division via phone at (213) 480-3444 or via e-mail at revenuemanagement@dmh.laounty.gov.